



## FINANCIAL AID DEVELOPMENTS

By Kim Slote, policy analyst

### FEDERAL PELL GRANT

On March 5, 2014, the USDE published an [Electronic Announcement](#): Operational Implementation Guidance-Federal Student Aid's Implementation of 2014-2015 Federal Pell Grant Payment and disbursement Schedules. The announcement provides institutions with important information about the system, Web and software modifications being made by the USDE to reflect the 2014-2015 Federal Pell Grant payment and disbursement schedules. Changes must be made to the Central Processing System, the ISIR Analysis Tool, the Common Origination and Disbursement System and the EDEXpress for Windows software. Information on the projected impact to these systems is outlined in the announcement.

The USDE published an [Electronic Announcement](#) March 11, 2014: First Pell Grant Administrative Cost Allowance Payments for 2013-2014 Award Year. The announcement explains which students a school is eligible to receive ACA payments for and indicates the funds may only be used to defray the costs of administering the Pell Grant, Federal Supplemental Educational Opportunity Grant, Federal Work-Study and Federal Perkins Loan programs. The USDE began processing ACA payments for all schools on March 10, 2014, and includes

those records processed by the COD System beginning July 1, 2013. Funds for ACA payments will be deposited into school bank accounts over the next few weeks. Contact information is provided for those schools that need assistance regarding their ACA payments.

### TPD DISCHARGE PROCESSING

The USDE published an [Electronic Announcement](#) March 5, 2014: TPD Discharge Information-Total and Permanent Disability Discharge Processing Reminders. Key reminders are provided for the community to help improve processing of TPD discharge applications under the new regulations. Links to previously posted guidance are included, along with reminders on where to refer borrowers to obtain current TPD discharge applications and loan holder responsibilities related to post 7/1/2013 TPD discharge processing. Loan holders are required to submit TPD discharge applications received prior to July 1, 2013, to the Nelnet Total and Permanent Disability Servicer no later than Friday, May 30, 2014.

### THE BLUE BOOK

An [Electronic Announcement](#) was published by the USDE March 10, 2014: Availability of 2013 Blue Book Appendices. After being



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reviewed and approved by the appropriate offices in Federal Student Aid and the Office of Postsecondary Education, the updated [Blue Book Appendices](#) have been posted to the Information for Financial Aid Professionals website. The individual volumes of the [2013 Blue Book](#) are available on the same IFAP web page.

### 150% DIRECT SUBSIDIZED LOAN LIMIT

On March 10, 2014, the USDE published an [Electronic Announcement](#): 150% Direct Subsidized Loan Limit: Electronic Announcement #11-Update to Worksheet Used to Calculate Remaining Eligibility for Short-Term Programs. An updated worksheet is attached to this announcement for institutions to use when manually calculating Remaining Eligibility Periods for first-time borrowers enrolled in certain short-term programs.

### FEDERAL STUDENT AID SYSTEM

The USDE published an [Electronic Announcement](#) March 10, 2014: Federal Student Aid System Access Change-Reminder Suspension and Deactivation of Inactive FSA User IDs and Password Reset Change. This announcement is to remind the community that beginning March 7, 2014, the USDE will suspend any FSA User ID

that has not been used within the past 90 calendar days. Any FSA User ID that has not been used within the past 365 calendar days will be deactivated. There will also be a change to the number of security questions a user must answer to reset their password, increasing from one challenge question to three. Users will be prompted to establish a total of five challenge questions during the password reset process. Systems that will be affected by these changes are behind the Federal Student Aid's Access and Identity Management System or AIMS and are as follows:

- Common Origination and Disbursement website
- eCampus-Based
- eCDR Appeals
- Experimental Sites
- FAA Access to CPS Online
- Financial Partners Datamart
- National Student Loan Data System Professional Access
- Student Aid Internet Gateway Enrollment

Additional information is included in the original electronic announcement published [Jan. 24, 2014](#).



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### LOAN SERVICING

On March 11, 2014, the USDE published an [Electronic Announcement](#): Loan Servicing Information-First Quarter's Customer Service Performance Results. This announcement provides the first quarter (ending Sept. 30, 2013) results for servicer performance measured annually in the areas of customer satisfaction and default prevention. Each servicer's allocation of future loan volume is determined by these results when applicable. Attachments to the electronic announcement include the following:

- Explanation of Customer Service Performance Measure Methodology
- Quarterly Customer Service Performance Results for FedLoan Servicing (PHEAA), Great Lakes Educational Loan Services, Inc., Nelnet, and Sallie Mae – Quarter Ending September 30, 2013
- Quarterly Customer Service Performance Results for Not-For-Profit (NFP) Members of the Federal Loan Servicer Team – Quarter Ending September 30, 2013

On March 21, 2014, the USDE published an [Electronic Announcement](#): Loan Servicing Information-Second Quarter's Customer Service Performance Results. This announcement provides the second quarter (ending Dec. 31, 2013) results for servicer

performance measured annually in the areas of customer satisfaction and default prevention. Attachments to the electronic announcement include the following:

- Explanation of Customer Service Performance Measure Methodology
- Quarterly Customer Service Performance Results for FedLoan Servicing (PHEAA), Great Lakes Educational Loan Services, Inc., Nelnet, and Sallie Mae – Quarter Ending December 31, 2013
- Quarterly Customer Service Performance Results for Not-For-Profit (NFP) Members of the Federal Loan Servicer Team – Quarter Ending December 31, 2013

### GAINFUL EMPLOYMENT

The USDE published two electronic announcements and one Federal Register in March regarding proposed rules and regulations related to gainful employment. Links to these announcements, the Gainful Employment Information page on IFAP and the USDE Gainful Employment Negotiated Rulemaking page are as follows:

- [March 14, 2014 – Gainful Employment Electronic Announcement #47-Notice of Proposed Rulemaking on Gainful Employment](#)
- [March 25, 2014 – Gainful Employment Electronic Announcement #48-Notice of](#)



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### [Proposed Rulemaking on Gainful Employment](#)

- [March 25, 2014 – Federal Register: NPRM-Gainful Employment](#)
- [USDE – Negotiated Rulemaking 2013-2014-Gainful Employment](#)
- [IFAP – Gainful Employment Information](#)

### FAFSA

An [Electronic Announcement](#) was published by the USDE March 18, 2014: Application Process for Federal Student Aid. Institutions are provided reminders on three important provisions in connection with a student's application for federal student financial assistance under Title IV of the Higher Education Act. The three provisions involve the following topics:

- FAFSA – Only Form Required
- Fees, Assessments and Discounts
- PINS and Electronic Signatures

Certain aspects of the application process are clarified and contact information is provided for those with additional questions.

### DIRECT CONSOLIDATION LOANS

On March 21, 2014, the USDE published an [Electronic Announcement](#): New Direct Consolidation Loan Process Information-Additional Guidance for Schools and Third Party Servicers. Guidance and processing instructions are provided in this announcement for schools and third party

servicers that verify and/or receive payoffs for Federal Perkins Loans and eligible health professions loans in the new Direct Consolidation Loan process. Third party servicers include collection agencies that collect defaulted loans on a school's behalf.

### IRS TAX RETURN TRANSCRIPT

The USDE published Dear Colleague Letter [GEN-14-05](#) March 25, 2014: IRS Tax Return Transcript Processes for 2014-2015. Information in this DCL explains updates to the processes used by FAFSA applicants to request, obtain and submit IRS Tax Return Transcripts to their schools. Topics discussed include:

- IRS 'Get Transcript Online' Tool
- Other Transcript Requests
- Transcripts for Victims of Identity Theft
- Use of Third Parties to Obtain Transcripts (IVES)
- Use of "Per Computer" Information

Attachments to the DCL provide the availability of 2013 IRS information for 2014-2015 Verification and a sample of a Transcript DataBase View document.

### FEDERAL WORK-STUDY PROGRAM

An [Electronic Announcement](#) was published by the USDE March 26, 2014: 2014-2015 Federal Work-Study Program Community Service Waiver Requests. Schools are required to expend at least seven percent of their total FWS federal allocation to



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compensate students employed in community service activities. If a school is unable to meet certain expenditure requirements of the FWS Program, they can request a waiver from the USDE. This announcement gives information on what those requirements are for the FWS Program and how to request a waiver.

### TECHNICAL

On March 27, 2014, the USDE published an [Electronic Announcement](#): Upcoming EDEExpress for Windows 2014-2015 Releases and Direct Loan and TEACH Grant Functionality. This announcement outlines what functionality is available in the EDEExpress for Windows 2014-2015, Release 2.0 that was released mid-April. Additional enhancements and functionality will be available in the EDEExpress for Windows 2014-2015, Release 3.0 version due out in June 2014. An attachment to this announcement goes into greater detail on the functions schools are able to perform on each version of the software. Contact information is provided for those schools with questions.

### SAR COMMENT CODES AND TEXT GUIDE

The USDE published an [Electronic Announcement](#) March 28, 2014: 2014-2015 SAR Comment Codes and Text Guide (March 2014 Update). The award years referenced in the Action Needed column for comment codes 359 and 360 have been updated to 2011-2012, 2012-2013 and 2013-

2014. Additional information can be found in the tracking log of changes posted with the reference and in the Appendix.

### COMMON MANUAL

On April 17, 2014, the *Common Manual Governing Board* approved policy changes proposed to the board in Batch 199. Summaries of the most recent policy updates made to the July 2013 reprint of the *Common Manual* have been posted to the *Common Manual* website at the following link <http://www.commonmanual.org> in the [Approved Policies](#) section. The common bulletin language for each policy change drafted by the *Common Manual* Policy Committee is also provided at this link. Changes made in these proposals will be incorporated into the *Common Manual's* annual update released in June 2014. They will also be incorporated into the *Integrated Common Manual* which is updated regularly.